

Document No. 008

To Change In Class.

Approved For Release RDP78-04718A000600070010-9

Declassified

Date Entered: 10: TS S/C

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AMOUNT: HR 76-2
DATE: 21 NOV 1978 By: Q1

NOV 1 1951

Memorandum Concerning the CIA Printing Program

James L. Harrison, Staff Director of the Joint Congressional Committee on Printing, has prepared the attached memorandum for Senator Carl Hayden, the Committee Chairman, on the subject of the CIA printing program. Set forth below in quotation marks is the Harrison memorandum to which CIA comments have been added after each item.

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"The Central Intelligence Agency, for several years, has been served by the GPO-Department of State Service Office in the production of considerable quantities of highly classified printing.

"In addition to the GPO-DSSO plant, CIA for several years has also been served by their own agency plant which is equipped to produce offset and letterpress printing as well as engraving. Both of these plants are located at CIA headquarters.

"Several months ago, CIA established another printing plant

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CIA Comment:

The above, which indicates that CIA makes use of three plants, is inaccurate. CIA is served only by the GPO-DSSO plant and its own plant in [REDACTED]. With the complete foreknowledge and approval of both Senator Hayden and the Bureau of the Budget, CIA established a reproduction plant at [REDACTED] to which were moved all CIA reproduction facilities, which facilities had previously been located throughout CIA installations. Senator Hayden was informed of this action on 29 March 1951, at which time he was privately briefed on the necessity for developing certain covert training facilities as well as the need for certain covert printing operations.

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"They based this action on (a) the described need for facilities to handle increased production requirements, and (b) the need for better security--"

CIA Comment:

This is substantially correct. The statement "the need for better security" should be understood to indicate that CIA security was endangered by the fact that reproduction work was being done in different locations under unfit conditions. Consolidation of these locations into a single location improved security.

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25X1A "—although we understand that certain merchants and applicants for jobs in recent weeks have taken tours through the CIA [redacted] plant which appears to reflect some doubt on the secret classification of that plant."

CIA Comment:

25X1A The implications of this statement are inaccurate. Certain non-CIA personnel at the CIA [redacted] plant has been required for electrical contracting, for machinery servicing, and for operating tests on the equipment. Such non-cleared individuals are, of course, closely watched and controlled, and there has been no breach of security.

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"The action was taken despite the following facts:

"1. CIA is completely responsible for and have complete control over the security which is maintained in their own headquarters plant."

CIA Comment:

CIA does not completely control the security of the GPO-DSSO plant although the plant does operate under security regulations prescribed by CIA. Day-to-day control is exercised by the GPO. CIA does completely control the security of its [redacted] plant.

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"2. The GPO-DSSO plant is cleared for top security by CIA, Atomic Energy Commission, Department of State, National Security Resources Board and Office of Defense Management, and all of these Government establishments have expressed satisfaction with the quality, service and security maintained by the plant in connection with the work it does for them."

CIA Comment:

This is correct insofar as reference to CIA is concerned. We cannot comment as to the reaction of other agencies. However, it is our understanding that approximately 80% of the work done by the GPO-DSSO plant is for CIA, with the remaining 20% split among the other agencies.

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"3. The GPO-DSSO plant has untapped production facilities and, consequently, GPO has advised CIA that this plant can handle a much larger quantity of their work. A relatively large security-cleared reservoir of skilled craftsmen exists at the GPO central plant and can be detailed to the GPO-DSSO plant whenever necessary."

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CIA Comment:

CIA has no knowledge of untapped production facilities at the GPO-DSSO plant which are capable of handling a much larger quantity of CIA work. However, as the major CIA printing program involves the production of National Intelligence Surveys, and as this is a fluctuating program, there are undoubtedly times when CIA demand is less than GPO-DSSO ability to produce. There are other times, however, when the CIA program alone is sufficient to utilize the entire production facilities known by us to be available. Approximately one year ago GPO-DSSO recognized a general lack of capacity and searched for larger facilities.

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"4. The CIA's own headquarters plant also has considerable unused production potential."

CIA Comment:

There is some unused equipment at the CIA [redacted] plant, for which personnel have been recruited. As stated below, such personnel will be on duty within 30 days. This is necessary to meet existing and planned requirements for the immediate future.

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"5. When CIA sought priorities to purchase equipment for the [redacted] plant, ODM ruled that CIA was needlessly duplicating existing facilities with adequate capacity to handle their work, and, on that basis, denied them priorities."

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"6. Subsequently, the Bureau of the Budget reached the same conclusion as ODM and advised CIA that the GPO-DSSO plant has the facilities and security to meet any of their requirements.

"7. Before CIA started action to establish the [redacted] plant, they were specifically advised that highly skilled personnel of the type necessary to operate such a plant are scarce to the point of being almost non-existent."

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CIA Comment:

CIA has not sought any priorities from ODM nor has it any ruling from ODM that it was needlessly duplicating existing facilities. CIA has had the proper authority, including that of the Bureau of the Budget, to obtain sufficient equipment to meet reproduction requirements in excess of those filled by the GPO-DSSO plant. CIA has always

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been aware of the scarcity of highly skilled personnel necessary to operate reproduction facilities. It has an established policy that it will not discuss employment with any Government employee unless such employee presents a written release from his agency or a notice of reduction in force. Therefore, CIA has not sought employees from the GPO-DSSO plant despite the fact that subject memorandum states "a relatively large security cleared reservoir of skilled craftsmen exists at the GPO central plant."

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"Nevertheless, the plant was established and equipped at a cost conservatively estimated at no less than a half million dollars and we are advised that for several months now, from any practical production standpoint, it has been standing idle because of the lack of competent, qualified personnel to operate it."

CIA Comment:

The cost of the CIA [redacted] plant and its equipment was approximately \$300,000. The majority of the equipment was transferred from old, unsafe and unsatisfactory locations. Personnel to operate what unused equipment exists will be on duty within 30 days.

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"Because of this situation CIA has adopted the only obvious method of resolving the difficulty—namely, proselyting employees from the GPO-Department of State Service Office.

"It is true that if this practice were successfully consummated, the [redacted] plant's operational difficulties would be solved. However, the solution also would involve a broad, serious disruption with regard to the highly classified production requirements of such vital Government activities at Atomic Energy Commission, State Department, National Security Resources Board, and Office of Defense Management."

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CIA Comment:

CIA has not proselyted employees from the GPO-DSSO plant. Approximately 20 of these employees, however, have come to CIA without written releases, and CIA has refused to discuss the possibilities of employment with them. Two employees have come to CIA with appropriate written

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releases from GPO, and these two have been employed. CIA has an established policy that it will not discuss employment with any Government employee, unless such employee presents a written release from his agency or a notice of reduction in force.

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"Recommendation:

"Inasmuch as there appears to be no justification established by all the known facts in support of the existence of the CIA [redacted] printing plant, either on the basis of handling increased production requirements or on the basis of better security, and—"

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CIA Comment:

As was indicated to Senator Hayden in March 1951, a major justification for the CIA [redacted] plant was the necessity of expanding reproduction facilities and not printing facilities. Letter press printing requires approximately 3% of the total personnel and less than 5% of both

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"Inasmuch as the loss of personnel from the GPO-Department of State Service Office would seriously impair, or possibly destroy, that plant's production capacity for handling highly classified and vitally important printing for the Atomic Energy Commission, the State Department, the National Security Resources Board and the Office of Defense Management, and—"

CIA Comment:

As indicated in this memo, there will be no loss of personnel from the GPO-DSSO plant. It should be noted again that, to the best of CIA knowledge, that plant performs only approximately 20% of its service for agencies other than CIA. There would be no purpose in CIA recruiting personnel from the GPO-DSSO plant that does its own work.

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"Inasmuch as the present uncontrolled procurement of CIA's printing equipment is highly discriminatory against other agencies with equally stringent security requirements, at the same time setting a very bad example for those same agencies which are required by law to seek approval of the Joint Committee on Printing either to purchase printing equipment or to establish printing plants, and—"

CIA Comment:

There has been no uncontrolled procurement of CIA printing equipment for the [redacted] plant. New equipment has been acquired with the approval 25X1A6A of the Bureau of the Budget. Other equipment was transferred from then existing CIA facilities.

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"Inasmuch as those agencies have specifically and repeatedly certified that the JCP program is helpful rather than detrimental and has imposed no difficulties with regard to their highly classified printing activities, and

"Inasmuch as the CIA program is threatening to undermine the JCP policy control over the Government's printing and binding program,"

CIA Comment:

CIA, as a result of Public Law 110, has not been specifically involved in the JCP program but has proceeded and will continue to proceed on the basis of full disclosures to the Committee's chairman.

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"Therefore, it appears most sound, practical and in the best interests of the United States Government to initiate steps which: "(a) will bring CIA printing equipment procurement under the policy control of the Joint Committee on Printing and, (b) will preserve the effectiveness of the GPO-Department of State Service Office."

CIA Comment:

The decision of Congress to authorize CIA to expend funds for reproduction and printing equipment was made on the basis of facts herein

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